

Order Routing and Payment for Order Flow Disclosures

Payment for Order Flow Disclosure:

Pursuant to federal securities regulations, R.F. Lafferty & Co., Inc. is required to disclose at the time your account is opened, and annually thereafter, our payment for order flow practices. R.F. Lafferty & Co., Inc. routes your equity orders to broker-dealers or market centers (i.e., primary exchanges or electronic communication networks ("ECN")) for execution. These broker-dealers and market centers may include dealers who make markets in these securities. R.F. Lafferty & Co., Inc. may receive any compensation for routing equity orders to dealers. In exchange for routing your equity orders to certain market centers, we may receive monetary rebates per executed share for equity orders that add liquidity to its book and/or rebates for aggregate exchange fees. The rebates are considered payment for order flow even though it may not necessarily offset our aggregate payments for removing liquidity.

As for options order flow, R.F. Lafferty & Co., Inc. may receive payment for routing your options orders to designated broker-dealers or market centers for execution. Compensation is in the form of a per contract cash payment. The source and amount of any compensation received in connection with your options transaction. Order routing decisions are based on several factors including the size of the order, the opportunity for price improvement and the quality of order executions. However, R.F. Lafferty & Co., Inc. regularly reviews routing decisions, market centers and test trade executions to ensure that your orders meet our duty of best execution.

Order Routing Practices:

SEC Rule 606 requires all broker-dealers (including introducing firms) that route customer orders in equity and option securities to make publicly available quarterly reports that, among other things, identify the venues to which customer orders are routed for execution and disclose the material aspects of the broker-dealer's relationship with such venues. Please download the most current summary of R.F. Lafferty & Co., Inc. order routing activity by clicking on our websites.

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